8.5161

l August 1956

MEMORANDUM FOR THE ACTING SECRETARY OF STATE

SUBJECT: Egyptian Situation

Just before Foster left, he asked me by telephone for the views of the intelligence community to Soviet reaction to possible Western course of action is the Egyptian situation.

Yesterday afternoon and evening the IAC met and concurred in a draft estimate covering the general Egyptian crisis, a copy of which will be in your hands shortly. A preliminary draft of this astimate was handed to Foster at the airport. Last night late, I sent a confirmatory cable regarding the general approval of this estimate by the entire intelligence community, and then added a supplement regarding the Soviet action with regard to Western military action which read as follows:

> "In the event of Western military action against Nasser, we believe that the USSR would make every effort to avoid direct involvement, but short of that would intensify its efforts to give aid to Nasser, including possible covert introduction of military advisors and specialists and would capitalize on this situation in the UN and in the Arab and neutralist world.

I now have confirmation that both this cable and the cable based upon my talk with Howard Page were delivered to the Secretary at 10:00 a.m. this morning.

AWD/ji

1 - DCI

1 - ER V

1 - Reading

ALLEN W. DULLES Director

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